DOCUMENT RESUME

ED 445 207 CE 080 662

AUTHOR Kramer, Fredrica
TITLE Job Retention and Career Advancement for Welfare Recipients.
INSTITUTION Welfare Information Network, Washington, DC.
SPONS AGENCY Annie E. Casey Foundation, Baltimore, MD.; Mott (C.S.) Foundation, Flint, MI.; Edna McConnell Clark Foundation, New York, NY.; Ford Foundation, New York, NY.; Foundation for Child Development, New York, NY.
PUB DATE 1998-09-00
NOTE 18p.
AVAILABLE FROM For full text: http://www.welfareinfo.org/issueretention.htm.
PUB TYPE Collected Works - Serials (022) -- Information Analyses (070)
JOURNAL CIT Issue Notes; v2 n13 Sep 1998
EDRS PRICE MF01/PC01 Plus Postage.
DESCRIPTORS Adult Basic Education; Adult Education; Articulation (Education); Career Counseling; *Career Development; Community Programs; Consortia; Cooperative Planning; Counseling Services; Delivery Systems; Education Work Relationship; Employment Opportunities; Employment Services; Guidelines; Job Development; Job Training; *Labor Turnover; Literacy Education; Program Development; Program Implementation; *Promotion (Occupational); Public Service; School Business Relationship; Services; Social Science Research; Social Support Groups; *Welfare Recipients; Work Experience Programs; World Wide Web
IDENTIFIERS *Temporary Assistance for Needy Families; Welfare Reform; Welfare to Work Programs

ABSTRACT

This document examines strategies for promoting job retention and career advancement for recipients of Temporary Assistance for Needy Families (TANF). The document begins by considering the problems faced by less-skilled TANF recipients in finding, retaining, and advancing in jobs. Section 2 examines the following policy issues: (1) the aims of retention and advancement strategies; (2) the issue of whether retention and advancement strategies are separable; (3) recipients who should be targeted for services; (4) situations where services should be offered; (5) ways services should be delivered; and (6) program options (providing traditional support services; providing a broader range of services for the hard-to-place; using extended case management; mentoring; providing employer support; expanding access to good jobs; creating good jobs by filling niches; transforming job cyclers into strategic job movers; creating employer consortia; combining literacy, other basic education, and continued skills training with work; using public service employment and community work experience programs). Section 3 reviews the findings of research about ways of expanding employment for welfare recipients. Section 4 profiles 21 innovative programs in the following categories: supporting new workers; supporting employers; and finding market niches and targeting high-wage jobs. The bibliography lists 10 resource contacts and 44 publications. (MN)

Reproductions supplied by EDRS are the best that can be made
from the original document.

ED 445 207

Job Retention and Career Advancement for Welfare Recipients

Welfare Information Network
Issue Notes
Volume 2, no. 13 September 1998

PERMISSION TO REPRODUCE AND DISSEMINATE THIS MATERIAL HAS BEEN GRANTED BY

B. Van Lare

TO THE EDUCATIONAL RESOURCES INFORMATION CENTER (ERIC)

1

U.S. DEPARTMENT OF EDUCATION
Office of Educational Research and Improvement
EDUCATIONAL RESOURCES INFORMATION CENTER (ERIC)

X This document has been reproduced as received from the person or organization originating it.

☐ Minor changes have been made to improve reproduction quality.

• Points of view or opinions stated in this document do not necessarily represent official OERI position or policy.

CE080662

WELFARE INFORMATION NETWORK **Issue Notes**

Vol. 2, No. 13 September 1998

Job Retention and Career Advancement for Welfare Recipients

by Fredrica D. Kramer

Background

If welfare recipients are to make their way out of poverty before exhausting their lifetime limits to cash assistance, they must improve their employment histories as well as improve the quality of their jobs over time—through higher wages, better benefit packages and greater job security. Retention and advancement strategies need apply to those who get jobs as well to those who have been deemed hard-to-serve but can no longer be ignored in the presence of limited exemptions from lifetime limits. Indeed, many who cycle on and off welfare may have substantial unrecognized barriers and require similar assistance. Job retention and career advancement, frequently considered together as post placement concerns, are conceptually somewhat separable, ought not be restricted to post placement interventions, and may vary as greatly as the individuals they are designed to serve.

For those recipients who get jobs but have difficulty keeping them, strategies that help them even out spotty work histories are critical. This is, perhaps ironically, particularly important in economic boon times: when job seekers are more able to find entry level positions and transitioning from one job to another is easier, individuals need to be assisted in making good transition decisions, so that their employment histories demonstrate their quality as workers rather than their inability to maintain steady employment. Even those with substantial barriers to employment may be able to keep jobs if provided supports to address the special or multiple needs that many present.

For those who can find only entry level, low wage, or part-time jobs, career advancement may be the only way to move out of an economic trap that portends potential crisis in the absence of long term cash assistance. Most TANF recipients will find work in the service sector where wages are characteristically low, fringe benefits poor, turnover high, and the opportunities for advancement often elusory. Many find only temporary or seasonal jobs with no fringe benefits. Most new jobs are in small businesses where fringe benefits, special services, or the potential for long-term security may also be less likely. Low skilled jobs in general create poor job attachment—easy to quit or be fired. Strategies for advancement can serve both employer interests in reducing costly turnover—especially from the loss of trained workers, and employee interests in better wages, better work environments, and job security.

One way to improve retention is through effective training programs, which are sensitive to trainee needs and driven by identified industrial or occupational niches into which trainees will be placed. This discussion does not address training strategies in detail—strategies more likely to be the province of the workforce development than the TANF agency. But it does address issues of timing and integration of training with job placement, as these relate to retention and advancement, and as they relate to the overall responsibility of the TANF program. The reader is directed to **WIN Issue Notes** on education and training, child care, transportation, transitional Medicaid, and the hard-to-serve, for details on a variety of strategies that might serve job retention and advancement.

The Welfare Information Network — Barry L. Van Lare, Executive Director
A Special Activity of The Finance Project
Tel: 202-628-5790 — Website: www.welfareinfo.org — E-Mail Address: welfinfo@welfareinfo.org

LE 020 662

Policy Issues

What are the aims of retention and advancement strategies? Because the ability to move out of poverty in the long term must be the objective of time limited assistance, retention services ought to help recipients manage the exigencies of work—both financial and personal—and find jobs that will support their families without the benefit of TANF assistance.

Programs may accomplish these aims in part by increasing the number of hours of work or by making work more continuous. Indeed it has been argued that staying employed whether or not at the same job ought to be a key objective: every month on TANF uses up a month of time-limited assistance. But there is an inherent conflict between the goals of long term economic independence and policies that emphasize aggressive reemployment strategies without regard to job quality or skill match and with the potential for establishing poor work histories and exhausting TANF benefits. Further, low wages, especially in high benefit states, may result in mixing cash assistance with work, extending TANF use and exhausting benefits without long-term economic improvement. Programs will want to consider carefully ways to make reemployment assistance strategic with respect to timing and advancement so that they help recipients minimize costly moves and maximize upward mobility. Case managers will also need to monitor closely a recipient's aggregate welfare history in order to counsel responsibly about her employment choices.

Are retention and advancement strategies separable? Individuals will achieve economic independence through different courses and over different time periods. Some strategies—such as providing ancillary services to recipients and former recipients, or working with employers to hire recipients and continue to support new hires—will principally aid retention. But many work tow rd both ends: finding better jobs, with better benefits, encourages recipients to stay in the job, and providing extra supports may allow individuals to devote the necessary attention to a job to be able to move up. Both objectives deserve attention in crafting welfare-to-work strategies.

Who should be targeted for services? Programs can choose to target for retention services recipients assumed to be at risk of unstable employment—those with known potential barriers, including low educational achievement and problematic work histories, as well as those whose known job placements are low wage, low benefit, or likely to be unstable. Or programs can offer retention services to all TANF-generated placements and all those working and still receiving cash assistance. Or, finally, programs can attempt to reach the larger pool of low wage workers, through employers or otherwise, who are at risk of entering or reentering the TANF system.

Who best can benefit from services is not always obvious. It is often difficult to predict who most needs services, many barriers are not revealed without intensive and costly assessment, and many recipients find jobs or leave the rolls without formal TANF involvement (see Rangarajan, 1998 for a good discussion of advantages and costs to different approaches). Former recipients may not seek help either because they are unaware of eligibility for continued benefits—cash or other, or because they shun continued connections to the welfare system. On the other hand, low wage workers in general are often unaware of available benefits, and untutored in ways to parlay their growing skills into better jobs, thus locking themselves out of avenues for advancement (see Pindus et al, 1997), and into the potential for future welfare use.

One way to minimize cost and assure broad coverage is to offer a mixed strategy that includes aggressive assessment and continued assistance to those with multiple barriers or poor quality first jobs and others who want it, and passive measures to make broadly available job search resources for clients and former clients who cycle, and information for employers and their workers on the benefits that remain to all workers with limited earnings.

Services that are delivered regardless of current TANF status lessen the potential conflict between TANF recipients and the equally deserving working poor, and may reduce the future need for cash assistance by workers in similar circumstance. Often child care and Medicaid for children are also available to the working poor. New job creation initiatives, expanded Employee Assistance Programs (EAPs), outreach to encourage advance use of the Earned Income Tax Credit (EITC), and greater involvement of employers to help their low wage workers, all work toward that end.

When should services be offered? Although frequently thought of as post-employment services, job retention services may apply equally to those who risk short-term or dead-end employment and to those who would not get jobs at all were it not for additional supports before placement that continue after they find employment.

Programs might assess all TANF applicants to determine prior work history, and make known to all applicants, current recipients and recent leavers, the full range of services and resources that will remain available after they leave cash assistance and/or begin a job. Similarly, "soft skills" development must begin before placement so that individuals are better able to anticipate demands and expectations in the workplace and respond appropriately, but it is often the centerpiece of post placement mentoring. Basic math and reading competence—critical to career advancement—can be offered as part of a job readiness regimen or after recipients are employed, frequently at job sites.

Problems with child care, transportation, budgeting, family relationships and housing, should be anticipated beforehand, in the context of job clubs or other job prep activities and by case managers or other personnel who can offer strategic assistance before placement and can help hold the plans together once on the job. For case managers working with clients individually, arrangements ought to include contingency plans, both behavioral responses to crises that may occur at work and tangible backup arrangements (e.g., child care or medical appointments for sick children, transportation backups) to put in place when crises occur.

Post placement monitoring to catch crises in the making may need to be intensive at the start of a job —contact perhaps every few days—and can taper off once a pattern of work and support seems to be established. Research suggests (see Rangarajan, Schochet, and Chu, 1998) that job loss may be especially high in the first months and monitoring should probably continue for at least six months.

As with job retention strategies, career advancement ought to be the backdrop in working with clients before and after placement. Before placement, assessments can be used to hone training and job objectives and identify skill and educational deficits so that recipients can be better directed to set realistic goals and target industries and occupations. Programs may also pay closer attention to job/skill matches for their recipients, which may cost more than many "work first" designs, both in front end assessment and in more cautious placement choices, but may pay off in longer lasting and better long term placements. As clients job cycle, they need help to understand what they have learned on the job and how to apply that knowledge to move up, to change employers and to transfer those skills across occupations.

How should services be delivered? Programs may use their own staff to provide case management or mentoring services, or use staff specially trained and responsible only for retention services, or they may contract with intermediaries—individual consultants, programs or community-based organizations. Whether job retention providers reside in the welfare agency or elsewhere may reflect client and employer concerns with continuing association with the welfare system. Case management attached to the welfare agency may help deal with payment errors and access to emergency and transitional benefits, though separate units may avoid integrating special services into other bureaucratic functions. Community-based service providers near where clients live may offer

easier access and greater potential for delivering services to other family members and addressing family issues more effectively.

Program options. Programs ought to consider a continuum of strategies that are mindful of both retention and advancement objectives and can be adapted as individual clients' needs dictate.

Providing traditional support services. Service needs common to entry level and single parent workers, such as child care, health coverage both for worker and children, transportation, assistance with work management issues such as budgeting or other family issues, have been long recognized. But programs may need to develop new and more creative solutions, such as expanding the range of services to nonstandard hours and to providers for sick or disabled children (or adults), or working with transportation providers to alter routes or schedules to accommodate major work sites or housing sites. Additionally, programs may explore multi-service delivery strategies in residential neighborhoods and work closely with public housing authorities to develop programs that ease access to child care and extend services to other family members.

Policies must be in place that ensure that such services are not interrupted after recipients leave the rolls, and that they continue for as long as needed. This may require changes in internal procedures, greater interaction with service providers, and more funding. Policies that maintain housing stability, through increased subsidies or income disregards for housing, or other means, may be as important as other services in creating the environment in which TANF families can sustain employment.

TANF funds may also be used, as part of a diversion strategy or otherwise, to pay for short-term or emergency expenses, such as for car repair, clothing, tools, or equipment, to make going to work, and staying there, more likely. Re-employment services for those who cycle on and off jobs can be made available whether or not they reenter the welfare system, and new legislative authority may make "one-stop" centers a major resource for such services. Policies—to which clients can be alerted prospectively—that liberalize income and work expense disregards, and make advance use of the EITC, may make the initial decision to work more palatable and ease job retention. Since expanded earnings disregards may prolong the use of TANF assistance, states will want to monitor families closely to assure that they are making appropriate gains before assistance runs out.

A broader range of services for the hard-to-place. Programs will need to consider more varied and often longer term interventions for the harder to serve—such as legal assistance, interventions for domestic violence, services for persistent mental health and other chronic health issues and complex child and family caretaker responsibilities (see Kramer, 1998). Past histories of alcohol or drug abuse, criminal records, or bad work histories may put some recipients in continuing jeopardy, and require additional work with prospective employers to secure a job and continued monitoring once employed. Programs may expand their assessment and case management approaches to be able to recognize such needs—including upgrading worker training, upgrade their referral capacity with better source references (e.g., infant, school-age and special needs child care providers, transportation routes and providers) and agreements with service providers, and may have to adjust policies that control duration and intensity of monitoring that current and former TANF recipients receive.

Extended case management. Once on the job, TANF agencies can continue to provide case management directly or through intermediaries, and unlike restrictions under JOBS, for as long as is deemed appropriate. Some programs monitor monthly for job status and needed supports, particularly for clients with multiple problems or poor work histories. Intensive case management might also improve intra- and inter-agency service and benefit delivery.

For those who work but continue to receive cash benefits, case management should attend to quality control over benefit determinations so that benefits do not get erroneously interrupted while recipients are working. Programs may also encourage use of counseling, mentoring and other supports as soon as there is any threat of job loss. And programs need to inform clients and employers before and after placement, with brochures and other outreach tools, about transitional and continuing benefits that can ameliorate the problems of low wage, part-time or sporadic earnings.

Mentoring. Another way of extending support is through the use of mentors, often volunteers and often from neighborhood based institutions. Also, employers (e.g., Social Security Administration) may formerly assign employees to assist new hires. Successful mentoring ought not be considered an ad hoc activity. It requires extensive planning, training and supervision of mentors, a well developed network of available services, can be very labor intensive, and may be difficult to implement on a broad scale.

Employer support. Evidence from employer survey and focus groups indicates that employers often care more about attitudes and reliability than the skills that workers—particularly entry level workers—bring. Among a smaller but not insignificant portion of employers there may also be some lingering negative preconceptions about welfare recipients. (See Pindus et al., 1997, Regenstein et al.,1998, Holzer, 1998, Roberts and Padden, 1998.) In the current tight labor market employers who are eager for workers may be willing to take on those with additional needs given the promise of TANF supports. States would do well to create dialogues with local employers about available assists—continued case management, financial incentives, and employment policies that might reduce turnover—and help craft solutions of mutual advantage. With the promise of good supports, employers might be willing to relax certain hiring requirements, such as allowing a GED or high school diploma to be obtained on the job, or ignoring criminal records with proper vetting and ongoing agency monitoring.

Programs may offer to provide extended case management, help employers establish their own EAPs, or broker among small employers to pool resources toward such assistance. Program designs should be sensitive to confidentiality issues and clients' varying receptivity to help. States may continue to pay directly for child care, transportation, and other services, or subsidize employers to pay for these services. Historically, employer subsidies have not encouraged many employers to hire otherwise undesirable workers or assure long-term employment, but recent surveys suggest small employers may be unaware of tax credits or government sponsored training or screening. Finally, programs can involve employers directly in the design of training, which can then dovetail with hiring agreements and continued subsidized on-the-job training tailored to their workplace.

Employer confidence in the supports that a TANF or employment agency has to offer is crucial. Using employer networks—such as Chambers of Commerce, employer consortia, or individual employers with well established ties to the workforce development or TANF agency—may provide the necessary credibility to engage additional employers in hiring and retention efforts. Also, local labor markets differ and strategies good for one locale may not fit another. Employer focus groups have been used in developing training programs and may be especially useful for understanding what employers need in specific labor markets, how they look for workers, and what sorts of supports and arrangements with public programs or service providers would help them keep welfare hires.

Expanding access to good jobs. Programs may target industries and occupations where wages and benefits are improving or that offer the chance for advancement, and work with unions or employers to structure training and benefit packages. It may be well worth establishing close ties with employers in health and hospitality where, by virtue of organizational structure, union involvement, or otherwise, entry level employment can lead to upward mobility, and joint training ventures have

had success. Major restructuring in health care may create new paraprofessional jobs, opportunities for cross-training, and offer strategies for wage growth and advancement for entry level workers (for an analysis and descriptions of successful training/placement strategies for better jobs, see Pindus and Nightingale, 1995). Transitional employment, on-the-job training, job subsidies, apprenticeships, and even community work experience, can also be used to build relationships with employers and gain access to higher wage jobs for which TANF recipients might be otherwise unqualified.

Creating good jobs by filling market niches. Programs may identify labor market niches in which they can become sole providers of either workers or product, and as such, assure continued job security and a high degree of control over workplace conditions. Early success with supported work models came from creating product niches or training and placement in self-contained worksites with the opportunity for continued on-the-job supports (e.g., Wildcat Services, ET Choices bank data processing contracts). Other program models (e.g., IndEx in Tulsa OK) structure a mix of work and training within the context of a real manufacturing operation. Although frequently considered training or transitional employment, they are instructive for the measure of control over market niche that affords more latitude in workplace structure and continued employment.

Making job cyclers strategic job movers. Programs may help recipients understand how to apply their skills across industries and occupations so that they can be more strategic about career advancement (see Pindus and Nightingale, 1995). Entry level and low wage workers who cycle from job to job are often poorly informed about when or why to leave a job or how to parlay their work experiences into new arenas. Job training and job prep curricula, and case management and mentoring ought to help recipients conceptualize the next move, when to move on and when not to.

Programs may also offer assistance to facilitate faster and better reemployment after job loss. Some programs have created "resource rooms" with access to typewriters, copiers, the Internet, and staff support to assist with job transition for those who lose their jobs or are trying to move up. These facilities can be made available in off-hours and in communities, remote from welfare job centers, to grant easy access for recipients and other family members. And programs can inform about these services proactively at front-end assessments and through mailings to current and former recipients.

Creating employer consortia. As researchers have noted, low wage workers, particularly in the inner-city, often lack both the proximity to expanding (often suburban) job markets and the social networks that might afford them upward job mobility. One strategy suggested to overcome these odds is to use employers themselves to create the linkages between so-called secondary labor markets—low skill, low wage, uncovered, unstable jobs—and the primary labor markets where better jobs may be found. Workforce development boards, particularly those with a regional focus, are well situated to build these consortia. Employers in the secondary labor market could craft agreements for their workers with employers in primary labor markets that built in upward advancement to their next, higher-paying, job. Such agreements could increase worker commitment in sectors plagued by high turnover because of the low wage, dead-end nature of their jobs. And through them employers in primary labor markets would find workers with job ready skills and well documented work histories. (See Newman, 1995). In a similar way, small and mid-size employers in related businesses, with workforce agency help, might form consortia to support joint industry-specific training where otherwise their small numbers of workers or cost constraints would preclude customized training to upgrade worker skills (see Isbell et al., 1996, p. 31).

Combining literacy, other basic education, and continued skills training with work. As noted at the outset this discussion does not deal with the details of how to craft training strategies, but clearly continuing education and skills upgrading in the context of work, on job sites or elsewhere, is central

to career advancement. (For a discussion of successful training and work-based strategies for advancement, and financial aid options, see "Helping Welfare Recipients Increase Their Wages and Advance" in Brown, et al. 1998.) The most effective employment programs combine education and skills training with work. TANF agencies will want to work closely with education and training providers and employers to ease access to continuing education and training after employment, and work with employers to increase skill acquisition, hence worker productivity and worker retention.

Using public service employment and community work experience. Public service employment and certain community work experience models, characteristically used to backfill when private employment cannot be found, can—with greater investment in planning and placement—be used strategically to create deliberate career paths for recipients. For those who have work experience but are headed for the end of cash assistance and continued sporadic and dead-end employment, short-term public service assignments can be targeted for their training potential and transferability to specific sectors of unsubsidized employment. Even with the added costs, this strategy may be particularly useful in times of full TANF budgets to generate lessons for use in economic downturns.

Research Findings

The current economy, and low inflation, is the best environment for expanding employment for less skilled workers, and recent increases in the minimum wage and expansion of the EITC have especially benefited low wage workers. But it is not clear that these recent advances will be sustained and a review of job trends and employment patterns of poor women over the last several decades underscores the importance of developing new strategies to aid retention and advancement.

Although the number of jobs has been increasing, the number of good jobs, as measured by wages, potential for wage growth, benefits, flexibility and job stability may still be deteriorating. Jobs available to less skilled workers have substantially worsened (Blank, 1997). Part-time, including involuntary part-time, employment has been expanding since 1970, and is on average of lower quality than full-time counterparts and over-represented by women (Economic Policy Institute, 1997). Between 1979 and 1993 wages for male high school dropouts fell 22 percent, for high school graduates 12, (for the well educated it is almost exactly reversed) (Blank, 1997)—making men in poor families increasingly less likely to contribute substantially to family income. Though real wages for the bottom fifth of workers grew somewhat between 1996 and the first half of 1998, the typical worker has lost ground since 1989, the last business cycle peak (Mishel et al., 1998).

Women's labor force participation has risen dramatically in the last thirty years, with the largest increase in the 1990s among single mothers with young children, particularly less-skilled never-married mothers. But while women have made substantial wage advances, their wages overall remain markedly behind men, and like men, wages for the least skilled have declined (Blank, 1997). Recent estimates (see Acs et al., 1998) suggest that even with the EITC and continued food stamps, a single mother of two working full time at minimum wage may not earn substantially above the poverty line. Part-time or sporadic work increases concern about health care and other benefits.

Most welfare recipients have work histories, most leave welfare for work within a year, but as many as 40 percent return within a year, according to one study, and two-thirds within five years (Pavetti, 1993). Around 60 percent lose their first job after AFDC (Hershey and Pavetti,1997). Some may leave because of the costs of working, in terms of low wages, lack of benefits or the ability to maintain child care, and others because of the difficulty of holding family responsibilities together or maintaining health coverage for their families (see Kramer, 1998 for estimates of barriers to employment among the hard-to-serve). The median wage for those who work, in one estimate, rose

less than one percent per year from 1979 to 1990, from $6.07 to $6.72/hour—or, for full-time work, 15 percent above the poverty line for a family of three. Those in the bottom 10th percentile of wages actually fell to $4.26 per hour (Burtless, 1997). Based on the experience of low skilled women, one study of work potential suggests that welfare recipients with moderately low skills (about one-third of the AFDC caseload) might find steady employment, but primarily in low wage or part time jobs, and likely to need additional cash and services to continue working and remain above poverty. And few women with extremely low skills will make the transition to steady employment (Pavetti,1997).

The need for better jobs is underscored by these numbers, and a recent review of the effects of quick placement versus skill building primarily through basic education, shows the earnings effects of quick employment approaches, as characterizes "work first," diminish over time, and those from basic education alone are especially limited. Overall successful programs combined a mix of skill building and employment strategies (e.g., Riverside GAIN's mix of quick employment and substantial use of education or training). Successful programs combine a wide range of individualized services, have close ties to employers and set high expectations for participation. Strategies aimed at better jobs combined classroom or workplace training and access to postsecondary education, the most effective ending in a certificate or degree. Recent research suggests that an emphasis on basic education for those in need combined with intensive case management may be responsible for measured earnings effects. (Strawn, 1998).

The Post Employment Services Demonstration (PESD), operated in Chicago, Portland OR, Riverside CA, and San Antonio between 1994 and 1996, used extensive case management to provide counseling and support (to nearly three-fourths of participants), support service payments (to nearly half), and a variety of other services, for six months to two years after clients left welfare, and by staff separate from the regular JOBS staff in order to promote flexibility and reduce distrust among clients eager to distance themselves from the welfare agency. Interviews with a subsample of treatment and controls revealed that about 70 percent had problems outside of work (e.g., child care, finance/budgeting, family and transportation), and more than 40 percent had problems at work (e.g., difficulties with coworkers or supervisors). (Rangarajan, 1998).

Early evaluation findings from PESD, based on only a subsample of participants, show at best small or modest success in three of the four sites (and insignificant negative effects in the Portland site), due perhaps in part to the fact that the programs continued to evolve during the period of observation, that by design case managers had to establish and maintain contact with all clients regardless of need—thus diluting resources given the unevenvess of client needs, and that measured impacts may have been weakened because of availability of some services to those in the control group—for instance, because of the administration of the work requirement in some sites both groups may have received similar help getting jobs (Rangarajan, Meckstroth and Novak, 1998).

The PESD evaluators suggest that targeting case management services more strategically and simplifying delivery of services and transitional benefits are both necessary. But identifying who needs services most is a more complex issue and cannot easily be learned from PESD. Making recipients aware of transitional benefits, simplifying paperwork and access to benefits, and providing re-employment services regardless of AFDC status were deemed critical, as was improved intra- and inter-agency communication and accessibility to help clients—using a variety of new techniques such as beepers, voicemail, and flexible work hours (Rangarajan, 1998). PESD staff also found that attachment to the welfare system was an unwanted stigma to many new employees.

Experience from Project Match, which provides employment services to residents of the Cabrini-Green community in Chicago and on which PESD was in part designed, shows that the process of

becoming job stable is a long series of steps of building confidence, getting soft skills, and dealing with a variety of inevitable personal and other setbacks that occur. A longitudinal study of its participants reveals that many have required post placement services for as long as five years (Wagner, 1998). In a case study of the Oregon PESD by Project Match researchers, within 12 months 68 percent of one caseworker's caseload (66 clients) had left their first job, 78 percent had found a second, 89 percent had left the second, 74 percent had found a third. That study also found great variation in the needs of clients for assistance, stressing the importance of case managers' being able to discern who needs "relationship-based" services and who does not (Wagner, 1997).

Innovative Practices

Supports for new workers

Utah, one of the first states to experiment under waiver authority with serving all welfare recipients, and now mandated by state law to offer mentoring services, still continues case management up to 24 months after a case closes, using both specialists and specially trained staff able to respond to the range of issues clients present, including counseling, coaching, conflict resolution, emergency cash assistance, support services and support groups, and placement services. (Contact John Davenport, 801-468-0244).

As an add-on to case management, Rhode Island's Employment Retention Services Unit staff provides links between employers, service providers and TANF agency staff to advocate for appropriate support services, provide counseling directly on domestic and workplace adjustment issues, and develop job placements and employer-customized training that promises job placement. Because it is not a "work first" state, recipients may have spent up to two years in other work related activities before using the unit's services. (Contact June Allen, 401-464-5369).

Sister to Sister, in Ramsey County MN, is a group of former and current welfare recipients who meet monthly to offer peer support—in contrast to mentoring and in an effort to equalize the relationship between those on and off welfare. They provide dinner, often with speakers on topics such as assisted housing, child support and voting, and they provide child care and transportation in order to facilitate participation. Begun with minimal county funds but little formal relationship to the TANF agency, they now have additional private support. (Contact Lynn Shullenberger, 651-917-3324).

Tennessee offers a mentoring program in 50 of its 95 counties, training mentors and connecting them with TANF recipients in job prep or basic education classes. Their curriculum, including the five hour course, is being replicated by other states. (Contact Sherri Carroll, 615-313-4866).

Family Pathfinders, run by the Texas Comptroller of Public Accounts and supplementing the services of the Texas Workforce Commission, matches teams of trained volunteers—a network of connected individuals—from civic, business and church groups in order to provide mentoring and other services to TANF families participating in work activities. They are now using VISTA volunteers to organize the program in local organizations. (Contact Lucy Todd, 800-355-7284, ext. 52670).

The Social Security Administration, which is active in welfare-to-work efforts and has assisted several states, trains all managers and supervisors in coaching and mentoring. New welfare-to-work hires may also be assigned a "technical assistant" employee to mentor on technical aspects of the job. SSA has also developed a range of policies to accommodate family needs, create flexible work arrangements, and offer career counseling and other assistance through an EAP. (Contact Bill Alker, 410-965-4508).

Many for-profit and not-for-profit organizations serve as intermediaries between public agencies and employers to provide job readiness and placement services and then follow clients with a range of supports for months to years to assure job retention. Examples include: Cleveland Works, with affiliates in several states, 216-589-WORK; STRIVE, begun in East Harlem and now in several cities, 212-360-1100; Goodwill Industries International, Inc., 301-530-6500, ext. 525, Elaine Williams; America Works, Inc, 212-244-5627, ext. 143; Career T.E.A.M., 203-407-8800.

The New Hope Demonstration in Milwaukee WI, which will end in 1999, uses the EITC and wage supplements, with subsidized health and child care, to bring monthly income of participants working full time (average 30 hours per week) to the poverty level. Participation is not restricted to single parents, presence of children, or receipt of public assistance. (Contact Julie Kerksick, 414-342-3338)

Tennessee is working with public housing authorities, under an agreement with HUD, to disregard, in calculating housing subsidies, any earnings increases resulting from training while residents are receiving TANF assistance and for 18 months thereafter. For recipients of the Section 8 voucher program the disregard applies only to time on TANF. (Contact Bettie Teasley, 615-313-5652).

Washington's Employment Security Department with TANF funds has set up a labor exchange to help working TANF recipients advance. They are calling on off-hours and visiting recipients who have begun work in the last 24 months (and are in a job for at least 9 months in order to protect employer relationships) to offer job matching, referrals to community colleges and other services. They find calling less labor intensive than case management services. (Contact Glynnis Ashley, 360-438-4063).

Florida has received a Welfare-to-Work grant for job placement and retention for welfare recipients with learning and other disabilities. Administered by Florida Developmental Disabilities Council, using Seminole Community College and Palm Beach Habilitation Center, it will aim for jobs with upward mobility potential, and provide assessment, job matching, job coaching, and follow-up support up to three years. (Contact Wesley White, 850-488-4180).

Supports for employers

Utah will pay $500 per month for six months to employers willing to attend a one day special supervisory training and to hire their hard-to-place TANF clients, and $1000 at the end of 12 months if those clients are still employed. Rather than a simple hiring incentive, the subsidy is meant to underwrite the employer's costs in assuming active case management responsibility for that client. (Contact JoAnn Cook, 801-468-0276).

Communities Investing in Families, a community-based organization serving five counties in east central Minnesota, with a grant from the McKnight Foundation, is targeting small employers who for a small fee ($20 per year per employee) can access employee assistance services for their workers. They use the Sand Creek Group, which has assisted the federal government in its welfare-to-work hiring programs, and stress the need for intermediaries to market the use of EAPs to small employers. (Contact Martha Harding, 651-257-9576, or Gretchen Stein, Sand Creek Group, 612-430-3383).

North Carolina has selected seven EAP providers to work with employers committed to hiring Work First participants. In its "enhanced' EAP component, TANF applicants with a substance abuse problem will be referred for further screening and treatment and intensive follow-up in the workplace for two years. The EAP grantees are targeting small business, the program includes employer

training and a mentoring component, and the program will be formally evaluated. (Contact Roy Sonovick or Smith Worth, 919-733-4555).

Giant Food Inc. is partnered with the State of MD to place welfare recipients in a range of jobs using a combination of 60 hours of pre-employment training followed by TANF-funded on-the-job training. The partnership gives Giant a steady stream of applicants eager to work and advance, and reports 85 percent retention rate, compared to 50 percent for general recruits, though they provide no special services. (Contact Ken Crispins, 410-767-8186 or Ricki Crescenzi, 301-341-4100).

Finding market niches and targeting high wage jobs

The Institute for Self Reliance is working with local governments and community-based organizations to use building deconstruction to prepare low income and underemployed individuals for union apprenticeships in the construction trades. They prepared a business plan and training manual for groups in the San Francisco Bay Area who are disassembling military bases and reselling the materials, and are now negotiating to secure union apprenticeships for program participants. They are similarly assisting the Hartford Housing Authority in training residents in deconstruction and securing high wage, high benefit jobs for those trainees. (Contact Neil Seldman, 202-232-4108).

The Careers Program of Anne Arundel County, MD aims training to jobs with higher wages—$8.15 per hour compared to $6.27 on average for Job Search—and health benefits within one year. Jobs must exist in the local economy and not require college preparation. TANF recipients must be already working 20 hours per week to participate, thereby conserving scarce training resources. The local community college offers career planning services on-site. Their AdVANtage Van Services Entrepreneur Program, with a US DOT grant, trains welfare recipients who pose no insurance or other obstacles, and assists them with capital costs to begin their own transportation services for, among others, welfare recipients, going to work. (Contact Vesta Kimble, 410-269-4603).

Michigan has allocated $12.5 million to fund post-employment training for welfare recipients who are working at least twenty hours per week. A pilot in Pontiac partnered the local community college with major employers for customized training that accommodated training combined with work, and paid internships leading to high wage employment. (Contact Sharon Miller, 248-340-6787).

Focus: HOPE in Detroit, MI has added components (up to 11 weeks) in order to make its 31-week Machinist Training Institute (MTI) basic machine training program accessible to more welfare recipients. Although all trainees have at least GEDs, these components bring welfare referrals up to required reading and math levels in order to move on to further training. About 45 percent of trainees are women, and basic machine training claims nearly 100 percent placement in average $10.50 per hour jobs. TANF funds help pay for these components. (Contact Kenneth Kudek, 313-494-4170).

The Chicago Manufacturing Institute (CMI) and Chicago Commons have begun a joint venture to fill a labor shortage identified by the Precision Machine Product Association in screw machine helpers, an industry-wide entry level occupation paying $6-8 per hour. Chicago Commons provides the case management and adaptive services through a 4-week life skills component, and CMI provides 8 weeks of training. Though this is a more disadvantaged population than other CMI participants, and remedial work, especially in math, has had to be enhanced, the project hopes, through continuing relationships with the employers, to move trainee/placements into continued training toward advancement in the same occupational niche. (Contact Patricia Scott, 773-281-8679).

Wildcat Service Corporation in New York, begun to test a supported work model for the chronically unemployed, has identified industries for training and placement (e.g., lead abatement) and in some cases becomes a systematic part of the recruitment and hiring process (e.g., financial services) with moderate skill, moderate pay jobs (average entry salary for their program with Salomon Smith Barney is $24,000, with 23 percent wage growth). Employer-specific training reduces recruitment, turnover and post-placement training costs for the employers ($8 per hour compared to $20 to use a typical temp office), and they offer employer tax credits for their hires. Their training, above industry standard, is followed by four months of temporary "internships" at a little above minimum wage. They find long term, labor intensive retention services need to be available for at least two years but claim 90 percent are placed in permanent positions, with 94 percent retained over two years. (Contact Jeff Jablow, 212-219-9700, ext. 5151).

A joint effort between the OMNI Hotel, local workforce development board, Career T.E.A.M., and University of New Haven, provided the hotel—committed to hire 35 percent local residents for the New Haven Enterprise Zone project—prescreened job applicants (on attitude, work readiness, criminal background, drug use) for five weeks of focussed customer service training. OMNI did follow-up job-specific training, and Career T.E.A.M. continued job retention classes for 8 weeks. Of 85 who qualified for the 100 slots, 84 completed training and 47 were welfare-to-work candidates. (Contact Linda Libby, 203-974-6701 or Chris Kuselias, 203-407-8800).

For More Information . . .

RESOURCE CONTACTS

Anne Arundel County, MD. Giving states technical assistance, with HHS grant; also how-to manual forthcoming on transportation services. Contact Vesta Kimble, 410-269-4603. _

The Lewin Group. With HHS funding, providing program development and evaluation assistance to states on job retention. Contact Mike Fishman, 703-218-5655.

Mathematica Policy Research. Contact Anu Rangarajan, 609-936-2765.

National Alliance of Business. Contact Eleanor Mower, 202-289-2837, and http://www.nab.com/welfaretowork/index.cfm for descriptions of successful business collaboratives, on-site training, and intermediaries involved in welfare to work efforts.

National Adult Literacy and Learning Disabilities Center for information on learning disabilities and the workplace. Contact Eve Robins, 202-884-8177.

National Governors' Association. Contact Susan Golonka, 202-624-5300.

Project Retain, Community Services Agency, MD. Collecting best practices around the state on retention as a resource for local programs. Contact Carolyn Edmonds, 410-767-7410.

The Welfare to Work Partnership. http://www.welfaretowork.org/

US HHS. Administration on Children and Families. Contact Nancye Campbell, 202-401-5760.

US Small Business Administration can assist with entrepreneurial training through their Small Business Development and Women Business Centers. Contact Zina Pierre, 202-205-6706.

PUBLICATIONS

Acs, Gregory, Norma Coe, Keith Watson, and Robert I. Lerman. *Does Work Pay? An Analysis of the Work Incentives under TANF.* Urban Institute. July 1998. http://newfederalism.urban.org/html/occa9.html

American Federation of State, County, and Municipal Employees Union. *Thinking Creatively About Welfare-to-Work Job Creation.* February 1998. http://www.afscme.org/afscme/pol-leg/wtowtc.htm

American Public Welfare Association. *Human Service Mentoring Programs.* October, 1997. http://www.apwa.org/publicat/w2work.htm

Barnhart, Rosemary and Mary Weller. *Guidelines for Establishing a Post Employment Support Services Program for Welfare Recipients.* Demonstration Partnership Program. Pierce County Community Services. 360-866-7589.

Blank, Rebecca. *It Takes a Nation: A New Agenda for Fighting Poverty.* Russell Sage. 1997.

Brown, Rebecca, Evelyn Ganzglass, Susan Golonka, Jill Hyland and Martin Simon. *Working Out of Poverty: Employment Retention and Career Advancement for Welfare Recipients.* National Governors' Association. June 1998. http://www.nga.org/Welfare/EmploymentRetention.htm Includes detailed discussion of strategies and extensive descriptions of programs on job retention, career advancement, and transitional employment options for the hard-to-serve.

Burtless, Gary T. "Welfare Recipients' Job Skills and Employment Prospects", *The Future of Children*, vol. 7, no 1, Spring 1997. http://www.futureofchildren.org/wtw/index.htm

Cohen, Marie. "Education and Training Under Welfare Reform." *WIN Issue Notes*, vol. 2, no. 2. March 1998. http://www.welfareinfo.org/edissue.htm

Economic Policy Institute. *Nonstandard Work, Substandard Jobs: Flexible Work Arrangements in the U.S.* 1997. http://epinet.org/97labex1.html

Elliott, Mark, Don Spangler and Kathy Yorkievitz. *What's Next After Work First: Workforce Development Report to the Field.* Public/Private Ventures. 1998. 215-557-4469.

Getting Smart About Welfare: Postsecondary Education is the Most Effective Strategy for Self-Sufficiency for Low Income Women. Center for Women Policy Studies. July 1998. 202-872-1770.

Haimson, Joshua and Alan Hershey. *Getting Help to Stay Employed. The Use of Postemployment Services.* Mathematica Policy Research. April 1997. 609-799-3535

Hegedus, Frank. "Employee Assistance Programs for the Low-Wage Workforce", in *Workforce Investment Quarterly*, vol. 5, no. 1, 1998. National Governors' Association. 202-624-5300. Describes Ceridian Performance Partners' Partners in Progress program for screening and support for welfare recipients, supervisor mentoring and toll-free resource support for new hires, such as provided through the Associate Resource Line of the Marriott Corporation.

Hershey, Alan M. and LaDonna A. Pavetti. "Turning Job Finders into Job Keepers". *The Future of Children*, vol. 7, no. 1, Spring, 1997. http://www.futureofchildren.org/wtw/index.htm

Holcomb, Pamela A., LaDonna Pavetti, Caroline Ratcliffe, and Susan Riedinger. *Building an Employment Focused Welfare System: Work First and Other Work-Oriented Strategies in Five States.* Executive Summary Report. Urban Institute. June 1998. 202-833-5700.

Holzer, Harry J. *Will Employers Hire Welfare Recipients? Recent Survey Evidence from Michigan.* Michigan State University. July 1998. 517-355-8320.

Isbell, Kellie, John W. Trutko, Burt S. Barnow, Demetra Nightingale and Nancy Pindus. *Involving Employers in Training: Best Practices.* U.S. Department of Labor/Employment and Training Administration. 1996. http://wtw.doleta.gov/bestpractice/reportbp.htm

Johnson, Amy and Alicia Meckstroth. *Ancillary Services to Support Welfare-to-Work.* Mathematica Policy Research, Inc. June 22, 1998. http://aspe.hhs.gov/hsp/isp/ancillary/front.htm

Kaplan, April. "Financial Resources for Child Care." *WIN Issue Notes,* vol. 2, no. 6. April 1998. http://www.welfareinfo.org/Issuechild.htm

Kaplan, April. "Transportation and Welfare Reform." *WIN Issue Notes,* vol. 1, no.4. May 1997. http://www.welfareinfo.org/transita.htm

Kaplan, Jan. "Transitional Medicaid Assistance." *WIN Issue Notes,* vol. 1, no.10. December 1997. http://www.welfareinfo.org/tmedicaid.htm

Kramer, Fredrica D. "The Hard-to-Place: Understanding the Population and Strategies to Serve Them." *WIN Issue Notes*, vol. 2, no. 5. March 1998. http://www.welfareinfo.org/hardto.htm

Levine, Linda. *Welfare Recipients and Employer Wage Subsidies.* Congressional Research Service. September 3, 1996.

Mishel, Lawrence, Jared Bernstein, and John Schmitt. *Finally, real wage gains: Lower unemployment, higher minimum wage spur recent wage growth.* Economic Policy Institute Issue Brief # 127. July 17, 1998. http://epinet.org/ib127.html

Newman, Katherine S. "Dead-End Jobs, A Way Out: Improving Job Mobility in the Inner City". *The Brookings Review,* vol. 13, no 4. Fall 1995.

Pavetti, LaDonna. *The Dynamics of Welfare and Work: Exploring the Process by Which Young Women Work Their Way Off Welfare.* Malcolm Wiener Center for Social Policy. Harvard University. 1993.

Pavetti, LaDonna. *Against the Odds: Steady Employment Among Low-Skilled Women.* Urban Institute. July 1997. http://www.urban.org/welfare/odds.htm

Pavetti, LaDonna, and Gregory Acs. *Moving Up, Moving Out or Going Nowhere? A Study of the Employment Patterns of Young Women and the Implications for Welfare Mothers.* Urban Institute. July 1997. http://www.urban.org/welfare/jobtr.htm

Pindus, Nancy, Daryl Dyer, Caroline Ratcliffe, John Trutko and Kellie Isbell. *Industry and Cross-Industry Worker Mobility: Experiences, Trends, and Opportunities for Low-Wage Workers in Health*

Care, Hospitality and Child Care. Urban Institute. December 1997. http://www.urban.org/health/occmobil.html

Pindus, Nancy M. and Demetra Smith Nightingale. *Improving the Upward Mobility of Low-Skill Workers: The Case of the Health Industry*. Urban Institute. August 1995. http://www.urban.org/health/finalrpt.htm

Rangarajan, Anu. *Keeping Welfare Recipients Employed: A Guide for States Designing Job Retention Services*. Mathematica Policy Research, Inc. June 1998. 609-799-3535 or www.mathematica-mpr.com An in-depth discussion of retention strategies at both client and program level, drawing on lessons from the PESD and including inventory of program models, and contacts, providing a range of ancillary supports and services.

Rangarajan, Anu, Alicia Meckstroth and Tim Novak. *The Effectiveness of the Postemployment , Services Demonstration: Preliminary Findings*. Mathematica Policy Research, Inc. January 22, 1998. 609-799-3535.

Rangarajan, Anu, Peter Schochet and Dexter Chu. *Employment Experiences of Welfare Recipients Who Find Jobs: Is Targeting Possible?"*. Mathematica Policy Research, Inc. August 1998. 609-799-3535.

Regenstein, Marsha, Jack A. Meyer and Jennifer Dickemper Hicks. *Job Prospects for Welfare Recipients: Employers Speak Out*. Urban Institute. July 1998. 202-833-7200.

Roberts, Brandon and Jeffrey D. Padden. *Welfare to Wages: Strategies to Assist the Private Sector to Employ Welfare Recipients*. Charles Stewart Mott Foundation. August 1998. http://www.mott.org (see especially, "Employers' Perspectives on Welfare-to-Work: Focus Group Findings" in Vol. II).

Shuptrine, Sarah C., Vicki C. Grant, and Genny G. McKenzie. *Southern Regional Initiative to Improve Access to Benefits for Low-Income Families with Children*. Southern Institute on Children and Families. February 1998. 803-779-2607.

Small Consolation: The Dubious Benefits of Small Business for Job Growth and Wages (on Dale Belman and Erica L. Groshen, *Is Small Beautiful for Workers?* and David W. Stevens and Julia Lane, *Small Business Employment Dynamics Revisited*). Economic Policy Institute. 1998. http://epinet.org/small.html

Strawn, Julie. *Beyond Job Search or Basic Education: Rethinking the Role of Skills in Welfare Reform*. Center for Law and Social Policy. April 1998. http://www.clasp.org or 202-328-5140.

Tilly, Chris. *The Good, the Bad, and the Ugly: Good and Bad Jobs in the United States at the Millenium*. Russell Sage Foundation. June 1996. http://www.epn.org/sage/rstil-jo.html

U.S. Department of Health and Human Services/Administration on Children and Families. *Ten Lessons Learned From the Post-Employment Services Projects*. http://www.acf.dhhs.gov/programs/opre/stfsyn.htm

U.S. Department of Labor, Office of Small Business Programs. *Hiring Welfare-to-Work Employees: A Step-by-Step Guide for Small Businesses*. July 1997. http://www.dol.gov/dol/osbp/public/sbrefa/welfare.htm

Wagner, Suzanne L. *Lessons on Reemployment from Oregon's Experience in the Post-Employment Services Demonstration.* Conference Presentation, Sacramento, CA, February 1997. Available from Project Match, Erikson Institute. 312-755-2250, ext. 2297.

Wagner, Suzanne L., Toby Herr, Charles Chang, and Diana Brooks. *Five Years of Welfare: Too Long? Too Short? Lessons from Project Match's Longitudinal Tracking Data.* Project Match, Erikson Institute. June 1998. 312-755-2250, ext. 2297.

#

The Welfare Information Network is supported by grants from the Annie E. Casey Foundation, the Charles Stewart Mott Foundation, the Edna McConnell Clark Foundation, the Ford Foundation, and the Foundation for Child Development.

Interested in information on access to health care for low-income working parents?

See the WIN website for links to: "Taking the Next Step" from the Center on Budget and Policy Priorities; "The Uninsured and their Access to Health Care" from the Kaiser Family Foundation; the WIN Issue Note on Transitional Medicaid Assistance; and information on the Children's Health Insurance Program.

These resources and more can be found at:

www.welfareinfo.org/heatlhcare.htm

WELFARE INFORMATION NETWORK

1000 Vermont Ave., NW - Suite 600
Washington, DC 20005